

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION
3 IN THE MATTER OF:)
4 ILLINOIS COMMERCE COMMISSION)
5 On Its Own Motion) 06-0525
6 Consideration of the federal)
7 standard on interconnection in)
8 Section 1254 of the Energy)
9 Policy Act of 2005.)
10
11 Chicago, Illinois
12 December 5th, 2006
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14 Met, pursuant to continuance, at 11:00 o'clock a.m.
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22 SULLIVAN REPORTING COMPANY, by
Lisa Sheehy, CSR No. 084-002867

1 JUDGE SAINSOT: By the authority vested in me
2 by the Illinois Commerce Commission, I now call
3 Docket 06-0525.

4 It is the Illinois Commerce
5 Commission, on its own motion, consideration of the
6 federal standard on interconnection in Section 1254 of
7 the Energy Policy Act of 2005.

8 Will the parties identify themselves
9 for the record, please.

10 MS. EARL: On behalf of AmerenCILCO,
11 AmerenCIPS, and AmerenIP, Laura Earl with Jones Day,
12 77 West Wacker, Chicago, Illinois 60601.

13 MR. PABIAN: On behalf of Commonwealth Edison
14 Company, Michael S. Pabian, P-a-b-i-a-n, 10 South
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16 MR. MOORE: On behalf of Environmental Law &
17 Policy Center, John Moore, 35 East Wacker Drive,
18 Suite 1300, Chicago, Illinois 60601.

19 MR. LANNON: And on behalf of the Staff of
20 the Illinois Commerce Commission, Michael Lannon,
21 160 North LaSalle Street, Suite C-800, Chicago,
22 Illinois 60601.

1 MS. STEWART: On behalf of MidAmerican Energy
2 Company, Suzan M. Stewart and Karen M. Huizenga, 401
3 Douglas Street, P.O. Box 778, Sioux City, Iowa 51102.

4 JUDGE SAINSOT: Please don't take this
5 personally. I think we need to start over with the
6 comments. I really didn't understand them.

7 To me, when I saw the IEEE standard,
8 that seemed to address safety considerations, like a
9 building code or something like that, but nobody
10 really explained what that standard was for or why
11 that standard was inappropriate for certain things
12 mentioned.

13 For example, there was some mention of
14 it being inappropriate for larger generators or
15 generators that were bigger than ten MVA, but nobody
16 explained what ten MVA was or why that standard didn't
17 work for ten MVA. I don't even know, from the
18 comments, whether that's a safety issue or what.

19 And there were other standards that
20 were mentioned, but nobody explained why those were
21 better and what they were better for; so what I need
22 is a statement, a firm statement, direct statement, as

1 to when the standard won't work, why it won't work,
2 and what needs to be done in a situation where it
3 won't work.

4 (Brief interruption;
5 Mr. Riordan trying to join
6 conference call)

7 JUDGE SAINSOT: And the ELPC, just looking at
8 my notes, argued that this rule making should
9 encompass wind sources and other sources of generation
10 which, I take it, are renewable; but I don't know,
11 from your comments, whether we have renewable sources
12 or whether we will have renewable sources, and that's
13 something that I think an informed decision should
14 include. I did find the ELPC's discussion of what
15 other states do, you know, helpful.

16 So your new comments are going to be
17 in plain English, English that a lawyer would
18 understand; and they'll have a factual foundation, the
19 who, what, where, and when of all the conclusions,
20 factual conclusions made or expert opinions made.

21 And, please, can we stay away from
22 acronyms, unless they're something like "ELPC" or

1 "NARUC" or something that I would be familiar with.

2 There were just a whole lot of
3 acronyms there, and I found myself drawing diagrams to
4 keep the acronyms straight, and I'm not sure that
5 that's really necessary.

6 So, how long do you need for the new
7 comments?

8 MR. MOORE: How's January 30th?

9 MR. PABIAN: That would be fine.

10 MR. LANNON: Sounds okay. Let me just check
11 the date itself.

12 We don't have a problem with the 30th.

13 MR. PABIAN: It's fine with ComEd.

14 MS. EARL: Fine with Ameren.

15 JUDGE SAINSOT: Okay.

16 You want two weeks for rebuttal
17 comments? Does that work?

18 MR. PABIAN: That would work.

19 MR. LANNON: Yeah.

20 MS. EARL: That's fine.

21 MR. PABIAN: That would work.

22 JUDGE SAINSOT: So that would be

1 February 14th or February -- I can't remember what --
2 MR. MOORE: I wanted to avoid the electronic
3 problem downstairs, so I did not bring my BlackBerry
4 with me.
5 JUDGE SAINSOT: Yeah, it would --
6 MR. PABIAN: Looks like it would be the 13th.
7 JUDGE SAINSOT: Well, January 13th -- oh.
8 Wait a minute. I'm looking --
9 MR. PABIAN: February 13th.
10 MR. MOORE: February 13th.
11 JUDGE SAINSOT: Okay. Rebuttal.
12 MR. LANNON: The 13th?
13 MR. PABIAN: Mm-hmm.
14 JUDGE SAINSOT: Hope it's not a Friday.
15 MR. LANNON: No. It's a Tuesday, I think.
16 MR. PABIAN: This month is a Friday --
17 JUDGE SAINSOT: And, please, don't take
18 this --
19 MR. PABIAN: No, next month is a Friday.
20 JUDGE SAINSOT: And, please, don't take my
21 comments, what I said, personally.
22 MR. LANNON: Instead of the --

1 JUDGE SAINSOT: I don't feel that --

2 MR. LANNON: Excuse me.

3 JUDGE SAINSOT: Okay.

4 MR. LANNON: Instead of the 13th, could we

5 move it to the 14th?

6 JUDGE SAINSOT: 14th is fine.

7 MR. PABIAN: Oh. Then we should draw hearts

8 on it.

9 JUDGE SAINSOT: Then could we have a status

10 hearing --

11 MR. MOORE: Yes.

12 JUDGE SAINSOT: -- the 21st?

13 MR. PABIAN: Sounds good.

14 JUDGE SAINSOT: At 1:00 o'clock or 11:00 --

15 well, let me just see. I have the Commission calendar

16 somewhere here.

17 1:00 o'clock. There is a Commission

18 meeting that day. So 2/21.

19 MR. MOORE: 1:00 o'clock?

20 JUDGE SAINSOT: At 1:00 o'clock.

21 MR. MOORE: Judge, can I just ask for a

22 little more clarity --

1 JUDGE SAINSOT: Sure.

2 MR. MOORE: -- on what you would like?

3 I got from you that you want an

4 explanation as to when the IEEE 1547 standard applies.

5 JUDGE SAINSOT: Mm-hmm.

6 MR. MOORE: And, I suppose, any other

7 standards that might apply as well, if relevant.

8 JUDGE SAINSOT: Right.

9 MR. MOORE: Is that, essentially, what you're

10 looking for?

11 JUDGE SAINSOT: Right. And if you don't --

12 because there was some mention of it being

13 inapplicable to large generators, and I need to know

14 why.

15 MR. MOORE: Right.

16 JUDGE SAINSOT: And I'm not -- again, I'm not

17 trying to be mean. I'm just trying to develop a

18 decent record.

19 MR. PABIAN: Right.

20 MR. LANNON: Absolutely.

21 MR. PABIAN: Right.

22 MR. LANNON: Now, your Honor, I would like to

1 just discuss exactly what we'll be addressing in these
2 additional comments also.

3 Following up on Mr. Moore's comment
4 and what you've already said, I take it we're going to
5 look at the IEEE standard, give you all kinds of
6 background, as much background information as we can,
7 when it applies, when it doesn't, et cetera.

8 Now, I've always taken the view that
9 we've got kind of a dual-fold purpose here. One
10 concerns adopting the consideration of the IEEE
11 standard itself, and then you have how you implement
12 that standard.

13 JUDGE SAINSOT: Right.

14 MR. LANNON: I'm wondering, should we address
15 both these issues, say, you know, the interconnection
16 standard itself, and then the second half of the
17 comments address how the parties feel the standard
18 should best be implemented?

19 As you know --

20 MR. MOORE: Yes.

21 MR. LANNON: -- Staff has a position on
22 that --

1 JUDGE SAINSOT: Right.

2 MR. LANNON: -- ELPC has a position, and the
3 utilities have a general position of their own too.

4 JUDGE SAINSOT: Right. That would be useful
5 too.

6 You know, if you're going to set up
7 contracts, like they do with telecom interconnection
8 and that sort of thing, what you see would facilitate
9 interconnection, more on a legal basis, I take it, is
10 what you're saying.

11 MR. MOORE: I think what Michael is saying,
12 Judge, is that we need to figure out whether or not
13 the Commission's going to oversee implementation of
14 these, quote, interconnection standards, whatever
15 they're defined as, and I think there's a threshold
16 question of what exactly the, quote, interconnection
17 standard is under the federal act.

18 Historically, ELPC has taken the
19 position that the Commission should do a rule making;
20 I think Staff is sort of in the middle with the
21 tariff; and ComEd and Ameren have expressed sort of a
22 staged -- a little slightly different approach.

1 I actually think the parties are not
2 as far apart on making this work as the comments might
3 first suggest. I could be wrong; but having been
4 involved in interconnection since 2001 at the
5 Commission, I think we're actually at a point where we
6 might be able to make some progress.

7 So I'd like the comments to address --
8 I agree with Michael's request. The comments should
9 address implementation, as well as the full range of
10 what standards are, in a plain English fashion.

11 MR. PABIAN: Right.

12 JUDGE SAINSOT: And I agree.

13 MR. LANNON: Okay.

14 JUDGE SAINSOT: Definitely, just for the
15 record.

16 And I see implementation, again, more
17 talking about paperwork issues and legal issues.

18 MR. MOORE: Right. And we look at these
19 issues as mainly involving paperwork, timing,
20 deadlines, fees, standardized fees, and things likes
21 that, deadlines, fees, and just overall
22 implementation.

1 JUDGE SAINSOT: Right.

2 MR. MOORE: And I also think that it could be
3 that after we see our comments and reply comments and
4 we have a status in February, that some sort of a
5 workshop or a facilitated discussion might be
6 appropriate to see if we can resolve this, not
7 necessarily a formal workshop with just talking heads,
8 but some sort of a discussion with Staff.

9 I'd like to get Staff involved. I
10 know there are ethics issues involving Staff in
11 talking about an ongoing proceeding.

12 MR. PABIAN: Just for clarification, when we
13 discuss implementation in our comments, are we talking
14 about sort of a high level, what should the approach
15 be -- in other words, should it be a rule making,
16 should it be -- or else should we get down into the
17 nitty-gritty, what should the time frames be for
18 applications, should there be penalties, what should
19 the costs be, and those types of things? I mean,
20 how --

21 JUDGE SAINSOT: I'd prefer nitty-gritty
22 myself.

1 MR. LANNON: Your Honor, I agree, but I think
2 it should be both.

3 I think, you know, Staff is saying
4 everything can be accomplished within the framework of
5 the tariffing; I think ELPC is a little bit different,
6 and they're saying all the nitty-gritty can be
7 accomplished within the framework of a rule-making;
8 and I think the utilities also have a different
9 position, saying, "Well, we've already got things in
10 place and" --

11 MR. PABIAN: We've got things in place --

12 MR. LANNON: Right.

13 MR. PABIAN: -- and there isn't really a
14 precedent for tariffing procedures at the Commission,
15 so, you know, that's a concern that we have. That's a
16 real concern that we have.

17 MR. LANNON: Right.

18 MR. MOORE: And I want to be on the record,
19 that we actually have moved towards Staff's position
20 on this in terms of what we have, three utilities in
21 the state. We think three tariff proceedings might be
22 a better way to go.

1 MR. LANNON: Well, it's --

2 MR. MOORE: We'd like to address that in more
3 detailed comments.

4 MR. LANNON: Right.

5 It sounds like Mr. Pabian has raised a
6 legal issue that really hasn't been addressed, and
7 that is whether the tariffing regime contemplated by
8 the PUA would, in fact, properly encompass the nitty-
9 gritty, the details of what has to be accomplished.

10 MR. PABIAN: Well, I mean, that is certainly
11 at one level; but even if it is, the advisability of
12 doing that is another thing.

13 For example, we don't have tariffing
14 of RES, switch orders, which is a highly
15 proceduralized process but has been pretty well
16 accommodated without the need for specific tariffing.

17 Tariffing, while it guarantees certain
18 uniformity, it also reduces flexibility if, for
19 example, the parties agree there is a need to change.
20 Then you've got to go through a tariff change and all
21 that other kind of stuff. So, I mean, there are --

22 JUDGE SAINSBOT: Good point. It's easier to

1 amend a contract than it is a tariff.

2 MR. PABIAN: Well, right. But, you know,
3 we've have procedures out on the web site, and they're
4 open and available for people, and that's a -- you
5 know, the issue of nondiscrimination shouldn't be an
6 issue. I mean, we really believe --

7 MR. LANNON: Right.

8 MR. PABIAN: -- that, but it's a question of
9 more flexibility to accommodate, especially in an
10 emerging -- well, not necessarily emerging, but where
11 things can vary from day to day or whatever, perhaps
12 from application to application, to give people the
13 flexibility to do what they need to do without
14 necessarily being locked in through a tariff that
15 might not anticipate --

16 MS. STEWART: This is Sue Stewart from
17 MidAmerican.

18 I'd also like to point out the
19 diversity of the kinds of resources that might be
20 interconnected.

21 JUDGE SAINSOT: Right.

22 MR. PABIAN: Right.

1 MR. LANNON: All these issues are what Staff
2 would like to have information on, as much as, you
3 know --

4 JUDGE SAINSOT: So, I guess, to amend my
5 answer to your question, I guess if you're going to
6 have the nitty-gritty, you'll probably have to start
7 with the concepts too, and then the nitty-gritty would
8 flow from some conceptual thing, I think.

9 MR. MOORE: I think as long as we have enough
10 to form a fruitful basis for you to sort of evaluate
11 where this proceeding needs to go post February --

12 MR. PABIAN: That's probably right.

13 MR. MOORE: -- and where --

14 MR. PABIAN: I mean, we can take the
15 comments, and then we can address that at the status.

16 MR. MOORE: Right.

17 JUDGE SAINSOT: Right.

18 MR. MOORE: So to reiterate, I guess, you'd
19 like explanations, what standards apply and when, what
20 types of resources --

21 JUDGE SAINSOT: And why.

22 MR. MOORE: And why.

1 JUDGE SAINSOT: Yeah.

2 MR. MOORE: Second -- what was second?

3 MR. PABIAN: Implementation concepts.

4 MR. MOORE: Right, implementation concepts,
5 high level of detail. Okay. And I think that was it.

6 JUDGE SAINSOT: Okay.

7 Thanks, everybody.

8 (Discussion off the record)

9 (Continued to February 21,
10 2007, at 1:00 o'clock p.m.)

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